



National
Aeronautics and
Space
Administration

Letter Of Contract Administration Delegation, Special Instructions

1. CONTRACT NO.

2. DELEGATION NO.

This form is to be used to provide special instructions to NASA Forms 1430 and 1432.

3. FUNCTIONAL AREA (Enter applicable functional area in this space, such as Contract Administration, Production Administration, Quality Assurance, etc. Use separate forms for each functional area delegated.)

PROPERTY ADMINISTRATION (September 2001)

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4. SPECIAL INSTRUCTIONS

A. NASA property administration requirements generally correspond to DOD's. The differences, which are described below, will require the cognizant DOD Property Administrator's special attention.

1. Ensure that the contractor's procedures require requests for commercially available equipment to be forwarded to the NASA contracting officer for screening and consent to subcontract prior to acquisition, unless items are for incorporation into special test equipment, special tooling, or deliverable end items listed in the contract. Ensure the contractor's procedures provide for preparation of DD Form 1419 (or equivalent format) for each proposed commercially available equipment acquisition. Check for written contracting officer consent during system analysis of the acquisition function.

2. Ensure that the contractor appropriately categorizes contractor-acquired NASA property. When Government-furnished property has previously been categorized by the Government, ensure that the contractor shows the same category in the property record, unless the NASA Industrial Property Officer has approved a change of category. Include enough floor-to-records samples of NASA property in system analyses to ensure proper tagging and recording.

3. If the clause at NASA FAR Supplement 1852-245-73, Financial Reporting of NASA Property in the Custody of Contractors, is in the contract, ensure the contractor prepares and submits one original signed NASA Form 1018, NASA Property in the Custody of Contractors, directly to the NASA contracting installation's Deputy Chief Financial Officer (Finance) in time to be received not later than October 31 of each year, concurrently with submission of one copy to the cognizant DoD property administrator. Encourage contractors to obtain a user ID for the NF1018 Electronic Submission System (NESS) and to submit the report electronically. Review the report for accuracy and completeness based on the last system analysis and examination of the contractor's records including acquisitions and disposals. Validate all contractor NF1018 reports in NESS within 10 days after the report due date. Require correction and resubmission of the report by the contractor, as necessary. Ensure that corrected manually submitted reports are so marked and submitted to the DCFO(F). Validate corrections in NESS. During system analysis, confirm that a clear audit trail to the report from property and other records is maintained. Obtain a DOD Property Administrator user ID and monitor contractor timely report submission.

4. Ensure the contractor's procedures provide for separately tagging removable/reusable components of Special Test Equipment

5. Ensure that the contractor maintains written utilization procedures appropriate for each category of NASA property and promptly requests disposition instructions for all idle property. Ensure that the contractor obtains and maintains on file a written justification signed by the NASA contracting officer for any idle NASA property that is retained by the contractor and that the justification is revalidated annually. Ensure that rental agreements are in place and rental is paid to NASA for all use, whether commercial or Government, not supported by the NASA contracting officer's written rent-free use authorization.

6. Include samples of both contractor-acquired (and subcontractor-acquired, if applicable) and Government-furnished NASA materials and equipment in the acquisition portion of system analyses. Where applicable, include a sample of supplies ordered from Government sources using Activity Address Codes. Separately test control of NASA property during conduct of system analyses in all areas involving NASA-unique procedures and areas that either DoD or NASA considers to warrant separate sampling.

7. Ensure the contractor maintains and follows documented procedures for valuing property. Determine whether the procedures are in compliance with NFS 1845.7101 and are consistently applied. Ensure that the contractor keeps procedures readily available to responsible contractor personnel, property administrators and auditors.

8. The activities described below will require the application of valid statistical sampling procedures; work in process items should be included in the sample. For the major contracts designated by NASA to DCMA Headquarters at the beginning of each fiscal year, the following additional specific review is required for the prime contractors and their major subcontractors:

a. Ensure the existence of property and completeness of data reported on the NF1018.

5. NASA CONTACT DESIGNATED FOR THIS FUNCTION

a. NAME

b. PHONE